

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 6379

BILL NUMBER: HB 1133

NOTE PREPARED: Jan 23, 2004

BILL AMENDED: Jan 22, 2004

SUBJECT: Hepatitis B Immunization.

FIRST AUTHOR: Rep. Budak

FIRST SPONSOR:

BILL STATUS: CR Adopted - 1st House

FUNDS AFFECTED: X GENERAL
DEDICATED
X FEDERAL

IMPACT: State & Local

Summary of Legislation:(Amended)This bill requires every child who enters grade 12 to be immunized against hepatitis B. The bill allows a child whose parent objects to be exempted from the immunization.

Effective Date: July 1, 2004.

Explanation of State Expenditures: *(Revised) Summary:* The state fiscal impact of adding hepatitis B to the list of required immunizations for children entering Grade 12 or living in Indiana is believed to be limited to the \$8.00 Medicaid charge for the administration of the vaccine. (The state share of this fee is \$3.04.) Medicaid-eligible children have been entitled to the hepatitis B vaccine through the federal Vaccines for Children program (VFC) for several years. There is no cost to Medicaid for the vaccine itself. Any cost to the state as a result of this bill would be limited to the administration cost for Medicaid-eligible children who may not have received the full panel of recommended immunizations and are not covered by risk-based managed care.

The State Department of Health has reported that the requirement of varicella immunizations will have no state fiscal impact. The vaccine necessary for the state-required immunizations would be purchased with federal "317 Program" funds. The Department reported that they have sufficient grant funds available to buy the necessary vaccines.

Background Information: Administration of hepatitis B vaccine is required for children entering kindergarten or Grade 1 in Indiana. This bill applies to an older group of children who may or may not have subsequently received the immunization. The vaccine costs the State Department of Health \$9.00 per dose under contracts negotiated by the CDC. Depending on the vaccine used, 2 or 3 doses are required for immunity. Local health departments administer immunizations for approximately 27% of the state's children. The Department also

purchases vaccines for the children covered by Package C of Hoosier Healthwise (CHIP). These children are not covered by the VFC entitlement. It is less costly for the Department to purchase the vaccine used in CHIP than it would cost to buy the products on the open market.

The remaining population is eligible for the federally funded Vaccines for Children (VFC) program or is privately insured. The VFC entitlement program provides federally purchased vaccines for children from birth to age 18 who are enrolled in Medicaid, uninsured, or who are Native Americans. Children who have insurance that does not cover immunizations may receive VFC benefits at federally qualified health care centers or rural health clinics. Private providers may also enroll in the VFC Program and administer vaccines to eligible children.

Explanation of State Revenues:

Explanation of Local Expenditures: (Revised) Local health department clinics would have one additional immunization required for administration. The impact this requirement would have on the necessary local resources is unknown.

Local School Corporations are required to report required immunization status within 60 days to the State Department of Health under I.C. 20-8.1-7-11. The majority of this reporting occurs in the elementary schools due to the immunization schedules and the ages of the students. This bill would require high schools to report the immunization status of enrolling 12th grade students.

Explanation of Local Revenues:

State Agencies Affected: State Department of Health, Children's Health Insurance Program; and the Office of Medicaid Policy and Planning, Family and Social Services Administration.

Local Agencies Affected: Local health departments and school corporations.

Information Sources: Zach Cattell, Legislative Liaison for the Department of Health, (317)-233-2170. National Immunization Program, Vaccines for Children (VFC), Website at: <http://www.cdc.gov/nip/vfc/about.htm>

Fiscal Analyst: Kathy Norris, 317-234-1360.